

Domestic Fundamentals:

- With harvesting approaching near, Pressure continues on mentha oil and its products. Prices of Oil, Flakes, DMO & crystal extended its loss on Friday.
- Harvesting of mentha crop is expected to commence within a week or two and inner tone in the market gets weaker despite news of crop loss. Availability of stock is said to be ample to cater the current demand.
- There is a buzz in the market that recent showers of rains in major growing regions of Uttar Pradesh have damaged standing crop considerably.
- The damage is said to be in the range of 15 to 20 percent. Besides, there is a report of pest attack too. All these developments may lend support menthe market in the medium term. Short term outlook remains weak.
- This year Mentha coverage is likely to down by around 20-25% from last year due to crop shift and also lower price realization in previous year.
- Weather condition is not very favourable for standing crop. More rains may increase the percentage of loss. Light rains in the growing region have been predicted in next two –three days.

International Market Update:

- On a global front, mint consuming segments are shifting towards synthetic mentha oil, wide price fluctuations in natural menthe have encouraged bulk consumer to reduce their use and turn to Synthetic one as it is cheaper to natural menthe.
- On a Week basis, the PVOI analysis reflects that the prices are falling along with the volumes while the open interest is slightly up. However, on an average basis, these three are on a weaker note and might result in a further fall in Mentha oil prices. Therefore, based on the above-mentioned market scenarios, Mentha oil prices are expected to continue in its negative bias in the short term.
- International quotes (FOB) for Mentha oil in Shanghai are in the range of USD 1550-1565/Quintal.

Domestic market Outlook: Mentha Oil prices are likely to stay steady to slightly weak on the back of ample availability of stock & increasing interest in Synthetic menthe.

MCX Mentha Oil Futures								Date:16.05.2014	
Contract	+/-	Open	High	Low	Close	Volume	Change	OI	Change
May-14	-6.40	843	851.50	832.10	839.90	3136	26	3131	142
Jun-14	-7.30	855	863.20	844.50	851.60	995	24	1220	50
July-14	-8.50	861.50	871.40	855	861.60	44	-75	188	-1

No change

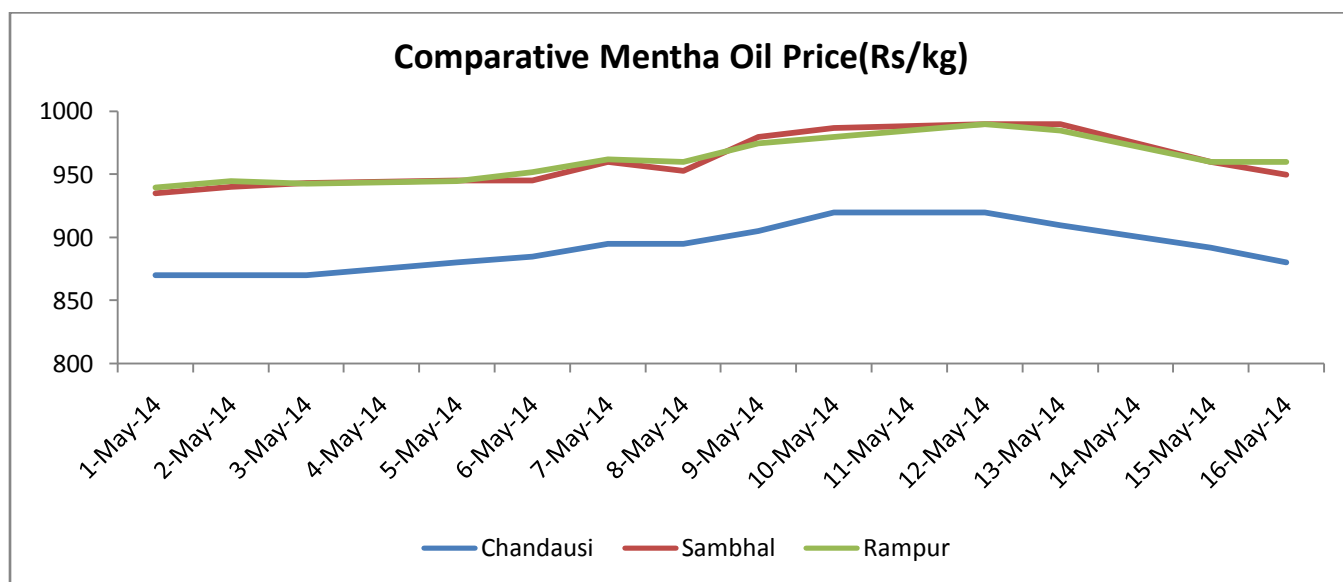
Spreads:

Spread			
Spot/Chandausi	14-May	14-June	July-14
May-14	48.4	34.2	25.4
June-14			
July-14			
	-	-	-

Stock Position at MCX Warehouses:

Centre	Stock Eligible for Exchange Delivery (kgs)	Final Expiry Date
Chandausi	57878.65	15-Feb-15
	2159.000	15-Feb-15
	359.750	15-Mar-15
	15107.350	15-Sep-15
	5402.200	15-Nov-14
Barabanki	19464.950	15-Mar-15
	2161.600	15-Apr-15
	20542.850	15-May-15
	19418.400	15-Sep-15

Mentha Oil Spot Chandausi Price Chart:-



Mentha Oil Daily Prices

Commodity	Center	Mentha Oil		Change
Mentha Oil		5/16/2014	5/15/2014	
	Chandausi	880	892	-12
	Sambhal	950	960	-10
	Barabanki	Closed	940	-
	Bareilly	900	915	-15
	Rampur	960	960	Unch

Commodity	Center	DMO		Change
DMO		5/16/2014	5/15/2014	
	Chandausi	770	780	-10
	Sambhal	650	650	Unch

Commodity	Center	Flakes		Change
Flakes		5/16/2014	5/15/2014	
	Chandausi	980	980	Unch
	Sambhal	1000	1005	-5

Commodity	Center	Crystal		Change
Crystal		5/16/2014	5/15/2014	
	Chandausi	1015	1015	Unch
	Sambhal	1010	1040	-30

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